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ABSTRACT

This booklet describes various aspects of the Skill Training Improvement Program (STIP) in Washington, Minnesota, New Jersey, Pennsylvania, and California. Information concerning the funding, administration, coordination, specific activities developed, and effectiveness of the STIP program in each of the five States is provided. Also taken into consideration are urban and rural projects implemented, the degree of employer involvement, school and community involvement, the benefits the program provided to participating candidates, and the degree to which problems such as unemployment in each State were met. (EB)

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Business Involvement in CETA—the STIP Experience

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U.S. Department of Labor
Ray Marshall, Secretary

Employment and Training Administration
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SKILL TRAINING IMPROVEMENT PROGRAM

The STIP Key

Private sector participation—the key to STIP—means involving local business in helping get the trained workers they need to operate their businesses. It means using the employer's insights into the training needs of industry to help fill the gap between the demand for skilled workers and the supply.

In order for STIP to be effective, local employers must participate in identifying high-skill demand occupations. The suggested mechanism for getting employers involved in the content of the training is through an oversight committee, but there are a variety of ways employers can participate. Whatever mechanism is used, the objective is to maintain employer involvement throughout, and to extend this involvement into other areas of CETA programming as well. With local employers helping design and operate the program from the start, it is anticipated that STIP trainees will have the best chance to move into permanent private sector jobs as employers commit themselves to retaining trainees at the end of the program.

Employers involved in STIP programs under way around the country like STIP! Almost without exception, they have welcomed the opportunity STIP provided to set up training programs that produce workers who fit the skill demands of the job because they are appropriately trained in demand occupations and trained for jobs that actually exist.

What STIP IS . . .

The Skill Training Improvement Program (STIP) is a new approach to federally supported skill training that is founded on the close cooperation of the business and industry community and government. Started under President Carter's 1977 Economic Stimulus Package, STIP is funded under Title III of the Comprehensive Employment and Training Act (CETA) and provides advanced skill training for unemployed and underemployed persons. The program is operated by the U.S. Department of Labor through grants to selected State and local government CETA prime sponsors.

HOW STIP WORKS . . .

For EMPLOYERS

- **Employees trained to meet employer needs**
- **STIP pays cost of training**
- **Employers participate in program development and training**

For JOB SEEKERS

- **Intensive skill training**
- **Marketable skills**
- **Jobs**

For the COMMUNITY

- **Reduced unemployment**
- **Direct employment productivity from tax dollars**
- **Stimulation of the local economy**

Employer enthusiasm has remained high and this kind of response to STIP is leaving its mark. The training ideas being applied in STIP and the employer involvement are being incorporated into other CETA activities, which the Department of Labor's Employment and Training Administration (ETA) sees as one of the long-range goals of STIP.

Looking ahead

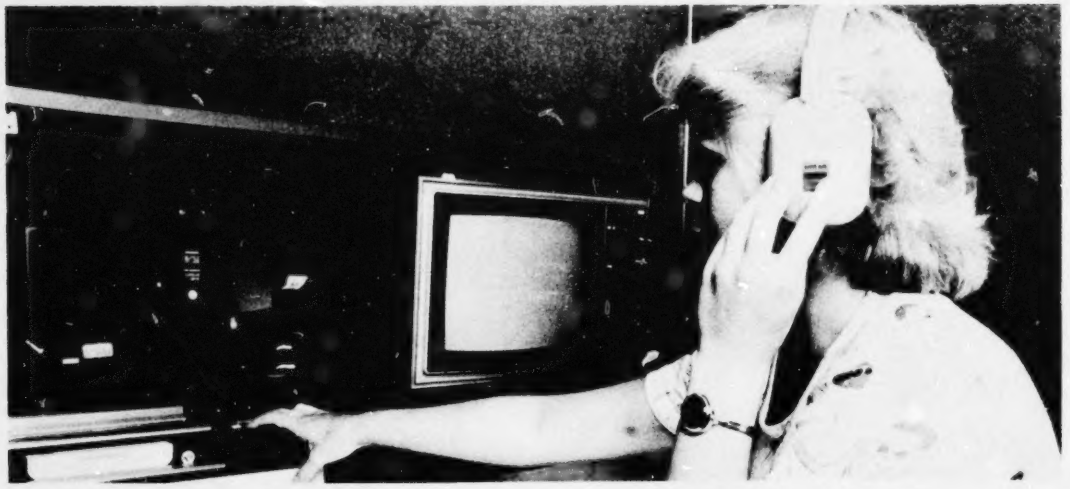
The Department of Labor looks upon the STIP experience as an aid, both to CETA prime sponsors and to private sector employers in preparing for the Private Sector Initiative Program (PSIP). PSIP will be funded at approximately a $400 million level in fiscal year 1979 through a new title VII of CETA. While operating on a broader scale than STIP, PSIP's aim will also be to enlist business and industry in the Nation's effort to reduce unemployment.

Unique programs

The widespread support for STIP and its diversity of design are evident in the following reports from five STIP programs. In each report, certain innovative features are highlighted over other aspects of the program because, in addition to illustrating the program's responsiveness to local needs, they demonstrate particularly well the range of possible programming under STIP.

Seattle, Washington . . .

Involved Employers in Seattle STIP Spreading the Good Word



The STIP program in Seattle, Washington, has built on an already close business, union, and government alliance to create a highly sophisticated network of training and placement in the private sector.

Private employer involvement in CETA activities has been strong in Seattle for some time. With the advent of STIP, this involvement has increased and is influencing other CETA programs as well. Several STIP programs are employer-directed refinements of existing projects. These refinements have pointed the way to altering other non-STIP training. The best indication of employer involvement is the sure expectation of everyone involved that over 80 percent of STIP graduates will be hired into high-skill, permanent jobs.

King-Snohomish Manpower Consortium is the CETA prime sponsor of the $2.7 million STIP program for the two-county area. The KSMC STIP training and placement goals are as hefty as the funding level. Four hundred seventy is the enrollment target, in a variety of training courses: welding, industrial illustration, basic manufacturing, precision manufacturing, office equipment operation—upgrade, drafting, electro-mechanical drafting, pre-apprentice machinist, office machine repair, and advanced skill level welding.

Permanent jobs

Because the employers were so closely involved in the program's development, all courses will likely lead to permanent jobs with private employers—such as Boeing Company, in aerospace; Eldec Corporation, Honeywell Marine Division, John Fluke Manufacturing Company, Tally Corporation, and Sundstrand Company, in electronics; and Todd Shipyards and Lockheed Shipbuilding, in shipbuilding. A survey of over 70 office equipment manufacturers and suppliers in the area confirmed the need for skilled workers in that field.

Need for skilled workers is a major factor in the KSMC's STIP program, as are the demand for workers to become skilled and the long-felt need of KSMC staff to finally provide truly comprehensive services.

KSMC staff, directed by Betty Emry, STIP administrator, solicited the direct involvement of business and industry and union representatives through the establishment of an Oversight Committee. Most members of the committee had already served on or had been involved in the consortium's Employment and Training Advisory Committees, which comprise the area manpower planning council. Communication among the various sectors, then, was enhanced by the STIP prospect. Direct employer involvement in selecting demand occupations also came from another source—the standing Technical/Trade Advisory Committees of CETA training contractors. These committees routinely advise CETA staff on training occupations and curricula, and did so for STIP.

Transferring STIP innovations

The various business and union representatives on the Oversight Committee put long hours (about 200 for business, 60 for union) into setting up a program proposal. Members decided early on to use existing CETA training resources and intake procedures for STIP. KSMC is subcontracting with the Manpower Services component of the Washington State Employment Security Department to recruit STIP trainees. The 75 members of the Manpower Services unit have provided intake, eligibility determination, feasibility assessment, and program referrals for other CETA programs for several years. Two subcontractors for title I classroom training activities were tapped to provide STIP training—the Seattle Opportunities Industrialization Center and the Individual Referral Clearinghouse of Operation Improvement Foundation. These two subcontractors have provided outstanding service for KSMC for several years. By using these resources, KSMC staff will

be able to use every STIP dollar to best effect, as well as incorporate STIP training innovations into ongoing title I activities.

The specific occupational training provided under STIP is a blend of KSMC established and successful training modes with advanced specialized training modules designed by private sector representatives.

For example, a two-week "Orientation to Private Industry" course, adapted from an existing Riveting/Mechanic Boeing-funded SOIC program, will precede all the STIP training programs. The reason: the course had significantly increased retention and participation of trainees, who needed background to enable them to compete in industry-oriented training programs and in the labor market. Topics in this course include organization of the world of work, making vocational decisions, occupational information related to specific training, introduction to the training institution, work/training attitudes and behaviors, time management, and child care and transportation with respect to work.

Other examples are the two STIP welding programs. The basic program is a combination of the SOIC six-month classroom program and an additional two months of training—with a Boeing instructor—to prepare STIP participants for higher level employment. Boeing Company is the business most closely allied with this program. Todd Shipyards and Lockheed Shipbuilding are involved principally in the other, wholly new, advanced welding program designed for STIP. This program also reflects a high degree of cooperation with the union representatives involved in STIP. A total of 75 trainees will be enrolled in this course—52 STIP participants for classroom and advanced skill training and 23 CETA title I welding completors for advanced training alone—which conforms to the Pacific Coast Master Agreement between the ship-building and repair firms and the various unions. The first six months of the 15-month course are in the classroom where trainees learn general and industry-specific safety rules, basic electricity, welding problems, and the theory and application of oxy-acetylene flame.

Roving instructors new

The second phase of the Todd and Lockheed course is a six- to nine-month on-the-job program. At this stage, STIP participants will be hired as trainees at Todd and Lockheed at journeymen's wages, after passing the firms' standard entry-level examination. Instead of then studying in the labor-management after-hours evening training program, STIP trainees will work under the tutelage of nine Todd and Lockheed supervisors acting as "roving instructors" on actual job sites, for a minimum of 10 hours of instruction per trainee a week. Every two months, STIP trainee-workers will take the standard exam to retain employment and move to higher wage levels. The upshot is that STIP workers can increase their wages quickly, from $7.34 an hour to $10.00 an hour in nine months.

The STIP course on office machine repair is innovative in several respects. KSMC staff followed two routes to identify and confirm demand for skilled workers in this area: they sent a survey to area employers over the signature of the King County Executive, with the results indicating strong demand; and they reviewed the completion and placement rates of two area training institutions that offer such courses, which they found to be high. These institutions, Renton Vocation-Technical Institute and North Seattle Community College, are the training sites. The course is normally 24 months. By securing employers' contributions to the curriculum with a view to altering the timing, KSMC staff were able to increase the hours in the classroom from six to seven a day to reduce the time to 16 months, thereby fitting the course into a funding guideline governing maximum length of the STIP grant.

Using BEOG's for STIP

The KSMC Consortium has incorporated into the STIP program a relatively new procedure regarding funding. The procedure covers the application and receipt of Basic Education Opportunity Grant (BEOG) funds to reduce tuition costs. Use of these funds will cut STIP training costs by at least 25 percent. The recovered funds will be turned back into the program to train more people.

The alignment of the STIP program with manpower demand was close when KSMC STIP started. The involvement of business in STIP will keep the ends and means close; any shifts in the relationship can be accommodated should these occur. Every major business, industry, and union is represented on the STIP Oversight Committee, which meets either every month or every quarter. In addition, many Oversight Committee members are also members of the second "tier" of the STIP monitoring apparatus—the training institutions' technical advisory committees, which periodically review the progress of the courses and the suitability of the curricula.

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Detroit Lakes, Minnesota ...

Meeting Local Employer Needs Is the Key to Rural Minnesota STIP

The Rural Minnesota Concentrated Employment Program is the CETA prime sponsor for a 19-county area in northwest and west central Minnesota, which constitutes one-quarter of the state's land—20,000 square miles—sparsely populated by less than 10 percent of the state's population. CEP provides effective client needs assessment and job placement services for the rural area through a network of five employment and training centers and six subcenters.

The STIP program there and the circumstances CEP staff confronted in developing STIP, which stemmed from geography, demography, and diversity of industry, illuminate, perhaps better than in any other setting, the responsiveness of the STIP concept to a variety of needs.

Rural Minnesota CEP's STIP program is funded at $767,000. Participants will be trained in three STIP courses including a skilled carpentry program, a diesel mechanic program, and a floor mechanic program. All the trainees in the carpentry program are being upgraded from laborers to skilled carpenters.

The selection of these three occupations for inclusion in STIP was based on a thorough assessment of demand. First, CEP staff called a task force meeting of the CEP job developers to explain the STIP program. After sorting out the procedures for identifying occupations recommended in the STIP guidelines, the CEP job developers went back to their centers to find out the demand for different occupations. They reviewed all job orders in their files, looked through newspaper ads for the last year, and made direct contacts with employers to determine their needs for trained manpower.

As a result, 18 different occupations were identified for the basic STIP program and one occupation for inclusion as an upgrade program. These occupations were then run through the rating system. Computer records were retrieved on wage rates to show the mean and median for the occupations and the data were put into the rating system. The result was a drop in the number of occupations from 18 to 8.

The task force staff members in the centers were then asked to directly investigate these 8 occupations with the individual employers in their respective center areas to uncover real local demand, as well as the potential for written commitments from employers to hire the trainees. The employers were advised that STIP grants were to be awarded competitively and that their involvement was required for CEP to be considered for the grant. To maintain credibility, employers were informed that the staff could not guarantee that the program would be funded.

Keeping faith with employers

Keeping the faith with employers is important to the staff in all CEP activities, and particularly in STIP. If employer involvement initiated by STIP is to be extended throughout the CETA system, then employers must have confidence in that system.

A third task force meeting was held and the information on employer demand for the occupations and their ability to make commitments was reviewed. This information cut the occupations down to the diesel mechanic and floor mechanic occupations and the skilled carpenter upgrade program.

A major determinant in this process was the geography and demography of the CEP 19-county service area.

In part of this large area, agriculture is a major industry, as is the trucking of agricultural products to the port city of Duluth. Heavy agriculture equipment manufacture is still another industry of the area. Not surprisingly, diesel system mechanics are sorely needed as demand has far outstripped supply. The area's Vocational Technical Institutes that offer such training have not been able to train enough mechanics for all the jobs available. They

have also been unable to accommodate all the CETA-eligible applicants CEP staff knew from assessment profiles would like to learn the trade.

In another part of the CEP region—the southeast corner, comprised of 8 counties—construction has been busy, in contrast with statewide trends. Jobs in the region have been plentiful but at the lower skill levels. The number of skilled carpenters has not kept pace with demand and employers reported being unable to take on good building jobs precisely because not enough skilled and lead workers were available.

In the northwest corner of the CEP region, the largest town of the 19-county area—Moorhead—has been experiencing significant growth in population, primarily from migration of people from in and around the more rural regions of the CEP area to the city and its sister city of Fargo, across the border in North Dakota. Construction has followed and the need for floor mechanics has gone beyond the supply. No training programs exist for floor mechanics in the area, though interest in such a construction trade among CETA applicants is high.

Closing the gaps in the system

Advanced skill training is available in many occupations in the 19-county area, and the Area Vocational-Technical Institutes are trying to meet these needs. What STIP enables CEP staff to do, according to STIP designers, "is close gaps in the occupational skill training system that are caused by geography (in the case of diesel mechanic training) or structural underemployment (in the case of advancing rough carpenters to skilled carpenters). Our hope is that what is learned from STIP will be used by vocational schools in further meeting local employer needs."

After the occupations had been selected, CEP staff contacted the various vocational technical institutes regarding the provision of training. In retrospect, CEP staff believe this timing was poor; that they should have contacted the Vo-tech people at the beginning, before they started putting the program together. Some friction was created by not bringing the Vo-tech staffs in at the start, but a useful lesson in planning was learned.

Also created at this time was the STIP Oversight Committee, comprised of representatives of a local leisure products firm, a power company, a bank, a home manufacturing firm, a Vo-tech institute, the Operating Engineers Union, and a carpenters' local. Members of the committee were asked to assist the CEP staff by reviewing the STIP grant application and recommending any changes in the training curricula, approach, and so on. Since the members are all volunteering their time to the effort, the committee was scheduled to meet each quarter to monitor the program.

Upgrading workers

The training packages for each of the three occupations vary in design and in how they were developed. In developing the carpentry upgrade program, the local CEP staff contacted the local business agent of the carpenters' union and the local employers, who reviewed the training curriculum the staff had developed with the Vo-tech school representatives and a local employer. Three meetings were held with employers; they went through the curriculum (which was the second-year carpentry curriculum offered at Alexandria Vo-tech). They went over the requirements of the STIP program in relation to upgrade programs of enrolling one participant and hiring a new employee, and signed a statement that they would abide by this rule. The employers discussed the eligibility of the participants, the sequence of training, and the alternatives for scheduling.

The carpentry upgrade program is a new idea for CEP. The participants are already employed. Thus, wage rates vary within the upgrade class. CEP staff decided that this variation would pose no problem and that the employers would continue to pay the employees while they are training. Employers are picking up the cost of fringe benefits for trainees participating in STIP. This arrangement emphasizes that the employees still work for the employers and have to live up to the company rules, even while they are in training.

CEP staff note the extra benefit of an upgrade program. The STIP participants advancing to skilled positions will create an immediate need for 20 new laborers or rough carpenters, thereby effectively doubling the impact of STIP. Several of the upgraded carpenters will in turn become work supervisors, increasing again the need for additional laborers.

Supervisory training

The program consists of 13 weeks of classroom training followed by 39 weeks of OJT, and another 13 weeks of classroom work. As such, it is a highly compact version of the second year of the well-regarded carpentry course at Alexandria Vo-tech. The first classroom phase will cover skilled carpentry fundamentals with emphasis on efficiency, an area employers felt the vocational schools are weak in. Included in this phase is shop work so trainees can practice their skills. The OJT phase will include four evening classroom sessions, each four hours long, in which participants can review their work, thrash out any job problems, and begin supervisory training. The final 13 weeks will emphasize supervisory skills and independence.

The diesel mechanic course is a combination of an existing curriculum offered at the Detroit Lakes Area Vocational Technical Institute, the superior skill of a Bemidji area diesel repair shop owner, and the ideas of other participating employers about how to alter the available training to turn out truly qualified mechanics. Too often, employers noted, Vo-tech mechanics had trouble adjusting to the real work setting, for several reasons. One is that the mechanical problems students encounter in classroom and shop are not the same as in the work place. The engines they work on are sometimes obsolete; often, they practice on disassembled parts rather than on whole systems; their diagnostic skills are weak and they need

extra guidance once they are on the job before they can function independently.

When the Bemidji Vo-tech facility declined to participate in STIP, CEP staff secured the participation of one of the area's best mechanics, Bernard Vogel, who also owns his own diesel repair service. Vogel's response was enthusiastic; he not only agreed to teach the 12-month classroom phase, he also agreed to teach the course at his shop. Vogel has erected a building at his own cost to house the program. Vogel's interest mirrors other participating employers' interest in STIP; they drop in on the class periodically to observe and talk with students. The ultimate indicator of their interest is a commitment to hire 20 STIP graduates.

The training allowance for diesel trainees is experimental to CEP. It increases during the classroom phase—from $2.65 an hour to $2.80 after 9 weeks to $3.00 after 26 weeks. Program designers believed this increase was necessary because participants are heads of households and so needed an incentive to stay in the program. The theory has worked; the diesel mechanic program is over-enrolled and the dropout rate is a satisfying zero.

The floor laying program begins with 5 weeks of classroom training, followed by 35 weeks of OJT that include 4 hours a week of classroom work. It concludes with 2 weeks of advanced classroom work. It is an adaptation of an apprenticeship program. Classroom training is at Moorhead AVTI, but an employer is teaching the course. No such training was available in the area before STIP.

Mother Nature steps in

Geography and the weather have played an unexpected part in the floor mechanic program. Most of the STIP participants were supposed to be from the Fargo-Moorhead area. The reverse occurred and most are from the entire CEP area. Last winter's severe weather made travel difficult. For example, the floor mechanic instructor is from Detroit Lakes; on several occasions, he could not get to Moorhead because the road was closed. In addition, the seasonal nature of the work has caused CEP staff to hold off on gearing up for the originally planned second class of the course. The worry is that another batch of floor mechanics might not be absorbed into the job market.

Monitoring the progress of STIP programs is achieved in several ways. The STIP Oversight Committee advises the STIP staff on various aspects of the program and will review all the programs at prescribed points during the life of the grant. The CEP staff members keep tabs on the daily progress of programs. Participating employers are heavily involved in the day-to-day assessment through *ad hoc* advisory committees for the carpentry upgrade program and for the diesel mechanic program. Members of both committees evaluate the instruction and the suitability of curricula with respect to employers' and trainees' needs.

Support services are as extensive for STIP as they are for all other CEP activities. CEP staff will contact each STIP participant weekly; a staff counselor or social worker is available to help with any problem that might interfere with a trainee's completing the program. If a problem requires more attention, referrals are made. Other services—medical, dental, day care, relocation and housing, legal—are routinely available to CEP clients, as needed.

Similarly, the same intake, screening, and assessment procedures used in other CEP activities are used for recruiting trainees into the STIP program. This process was supplemented through a review of applicants by a committee made up of CEP staff members, program instructors, and employers.

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Training for the 21st Century

The New Jersey Department of Labor and Industry has realized for some time that a gap existed throughout the state between providing higher skill level training to displaced and unemployed workers and filling the current manpower needs of local industries. Vocational technical schools' training programs and previous OJT efforts were not effectively preparing people to fill existing positions. More classroom theory, coupled with relevant learning experiences, was required to help trainees acquire the broader range of skills employers were seeking.

Nuclear-related equipment

Salem County, New Jersey, has both a high rate of unemployment and a need for skilled workers. One area in particular need of highly skilled workers is the nuclear power industry for the production, servicing, and testing of nuclear-related equipment. The county already has one operational nuclear reactor and three new reactors under construction. Many local chemical plants and offshore drilling operations also exist, which require related equipment production.

The State of New Jersey, which received a STIP grant of nearly $200,000, is using STIP in Salem County to bridge this gap through one employer, AMER Industrial Technologies, Inc., a minority-owned company in Salem County. AMER fabricates components and equipment for nuclear reactors, fossil power plants, refineries, and other chemical and construction industries located in the county.

Before the advent of STIP, A. E. Amer, president, explains, "I needed to expand the company but I couldn't find qualified people who had the skills I was looking for. I called employment agencies and advertised in all the local newspapers. I had practically no success. Then, I expanded my

advertising to technical journals and papers in New York, Chicago, and even California. I still couldn't find the people I needed. I was forced to subcontract a lot of my work out-of-state, which was costly and caused delays in our production schedules. Then STIP came along. As far as I'm concerned, it's a great program. Not only do the trainees have a unique opportunity to gain highly technical skills and acquire jobs in a new and expanding industry, but STIP has helped me to solve my problems as well."

AMER is training 17 people in five high-skill occupations—nuclear and mechanical welders, non-destructive testing examiners, tensile and impact-testing examiners, quality control inspectors, and assistant fabricating engineers. With the support provided by STIP funds, AMER develops the curriculum, provides its own instructors, and uses its facilities and highly specialized equipment to teach trainees their new skills. AMER has provided written assurance it will give a hire-first commitment for unsubsidized placements to all trainees who complete the training successfully. Trainees are attracted to the jobs at AMER because they start at $8 and $9 an hour; in two to three years, an employee can be making $12 to $14 an hour or more. Also, these jobs have an extremely high potential for spinoffs into other companies and occupations.

The duration of STIP training varies with the occupation, but an average of 10 to 12 months is needed to prepare enrollees for entry-level positions. Mr. Amer states, "Trainees don't need a college degree to learn these skills, especially if we're providing them with the theory and skill training experiences they need. If they work hard and complete our training, they'll have the skills they need to do these jobs."

A 50-50 mix

Trainees receive training in fabrication processes needed to design, produce, and test nuclear reactor components that must meet the rigid requirements of current standards and codes of the Environmental Protection Agency, Nuclear Regulatory Commission, and other regulatory bodies. Trainees receive a 50-50 mix of classroom training and OJT. During the OJT component, trainees are integrated into the present work force where they work side-by-side with current employees and receive individualized and work-related training experiences. The training is highly technical but the degree of personal attention given the trainees greatly enhances their individual learning.

A sample curriculum for non-destructive testing examiner lasts 56 weeks and includes such topics as introduction to non-destructive examination; X-ray examination; ultrasonic, magnetic particle, and liquid penetrant testing techniques; familiarization with American Society of Mechanical Engineers codes; and meeting customer specifications and compliance standards. All trainees will also receive training for their certification as qualified and competent metal fabricating inspectors.

The views of the STIP trainees at AMER are similar to those of their peers in other STIP programs around the country. As one enrollee notes, "I'm working right next to the guys who have jobs like the one I'm training for. The training I'm getting is really worthwhile. I can't think of a better way to become a skilled employee of this company."

Another says: "I had some welding training in another program, but it was only in the basics. The STIP training at AMER is giving me a chance to gain some real skills and experience. I've learned more in the first two weeks than I learned in months of the training I received before."

Everyone involved in Salem County STIP is pleased with it. As Mr. Amer states, "STIP is giving people jobs that are worth something, but it's also helping me to expand my own company with the kind of skilled employees I've had trouble finding. Now we'll be able to increase production, broaden our clientele, and realize higher profits. Everyone benefits."

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Chester County, Pennsylvania ...

STIP Helps Employers Train for Expansion

The work of the staff of the Chester County (Pennsylvania) Manpower Program in setting up STIP there points up the economic stimulus intended by Congress and the President in creating STIP. An economic upswing is just gaining speed in the county, but business expansion cannot occur without a skilled labor force to help push it forward. The staff of CCMP—the CETA prime sponsor—have used STIP to rev up the expansion engine to train workers for high-skill occupations opening up in two major industries in the area.

Private industry and commerce, which provide over 80 percent of the jobs in largely rural Chester County, are diversified. Only a handful of companies employ more than 1,000 workers. In light of the shifting economy, CCMP staff decided to involve as many major companies as possible in STIP so no firm would have to absorb too many STIP participants. Contacting possible businesses was a combination of letter solicitation to top executive officers and personal followup. Ultimately, Bruce Greiner, executive director of CCMP, and Wayne Rothermel, deputy director, Bob Stewart, coordinator of education, and Winona Kirkpatrick, assistant coordinator for training, made presentations to four area companies on STIP and how the program could meet their specific employment and training needs.

Two employers, Lukens Steel in Coatsville, and Norcross, Inc., a greeting card manufacturer in West Chester, elected to participate in developing STIP with county manpower staff. Using a STIP grant of $310,000, plus $146,000 of in-kind contributions from these local employers and $303,000 of title I money to pay allowances, CCMP staff have organized an exceptional training program for 98 STIP enrollees. They anticipate that all the graduates will be hired by the two employers, which are currently increasing their labor force and seeking employees with the same skills STIP graduates will possess.

Because of the diversity of products and occupational skills required by these two companies, STIP is essentially a two-part program in Chester County. Norcross, Inc., one of the world's largest greeting card manufacturers, employs more than 700 people and will train at least 38 STIP trainees as die makers, die cutters and embossers, offset press operators, and equipment operators for stamping, folding, and packaging machinery. One-fourth of their trainees will be upgrades of current employees from unskilled to skilled jobs.

Helping with affirmative action

Lukens Steel employs over 4,300 people and is one of the nation's leaders in steel plate production. It is undertaking a five-year, $160 million expansion effort and will train 60 people as electricians, millwrights, and general trades personnel for steel welding, crane operating, grinding, and cutting operations. Lukens' starting salaries fall in the $12,000 to $15,000 range.

Trainees being groomed for these industry occupations by both employers are learning high-level skills through intensive competency-based training programs designed and primarily administered by the employers themselves. Many of the trainees are women and minorities; their eventual employment by Lukens and Norcross will help the companies reach the timing and hiring goals of their affirmative action plans.

County Commissioner Earl Baker praised the STIP program at a well-covered news conference when the County Commissioners and Lukens and Norcross presidents announced the STIP award: "It fits nicely into our county's economy and its employment needs. It's brought about an unprecedented cooperative relationship between our employers and the county manpower office. Our unemployed now have a chance to crack into these successful industries by being involved in a high quality skill training program that teaches them the job-related skills they need. It provides the industries with the skilled labor they are looking for as well. STIP trainees have a far better choice of employment opportunities, greater potential for job placements, and a chance at higher salaries. I think the main reason STIP is working is that it expands the role and involvement

of the private sector in the development of these training programs and provides results that are mutually beneficial to all concerned."

Several factors account for the success of the Chester County STIP program. The first is that the employers themselves are deeply involved in the total design and overall operation of the STIP training classes. They define the specific skill areas they need workers to know and the training methods to be used. They select their instructors from among their own employees who are plant supervisors with direct expertise in the jobs to be filled. This type of involvement results in a highly industry-related training program. Trainees will acquire skills that have a direct and immediate applicability to each industry's jobs. This correlation will greatly increase their potential for ultimate employment.

Circumventing problems

Employer involvement goes beyond training design. Introduction of a group of new employees through a program such as STIP into a business can sometimes create problems among current employees and threaten the program's success. The leadership of Lukens and Norcross have taken steps to circumvent any such situation in their STIP programs. Executive vice president of Norcross, Donald G. Schnetzer, distributed a memo to all Norcross employees when the STIP grant approval was announced. In the memo, he described the program and the benefits of STIP for Chester County and for Norcross. He also noted the availability of upgrading through STIP and invited all employees who might be eligible for upgrading to get in touch with the company's personnel department. This kind of action by Norcross reflects the involvement of Lukens president James Pflasteres and Norcross president Jack Messman in the program, and is a major reason for STIP's success in Chester County.

A trainee's employability is further enhanced by another feature of the STIP project—all training is conducted by the employers in their own facilities where trainees learn to use the same tools, equipment, and machinery they will be working with on the job. Trainees are receiving hands-on training experiences, therefore, that allow them to practice the work functions of the actual jobs they hope to secure.

The last and most important feature is that the local industries have agreed, in writing, to give graduates of the STIP training programs "preferential consideration" in filling future job openings which are on the increase due to the expansion efforts of both Lukens and Norcross. Hal King and Chet Bertolini, directors of Lukens training programs at the Personnel Training and Development Center there, report that, "We know the kind of skills our employees need and with this kind of training, we are turning out the kind of people we want. We conduct the training at different times during a 24-hour day to acquaint trainees with the different shifts and working hours they'll have at the plant. It isn't easy training but the STIP trainees are doing all right. If they can make it to graduation, they'll get the first opportunity for any available jobs because they'll understand those jobs and be skilled to do them. They'll be the kind of employees we're looking for."

One aspect of the Lukens' training program deserves mention. As a major employer in the area, Lukens provides training for its new employees. This training—half classroom, half OJT—lasts from two to four weeks and prepares the new workers for one of four entry-level positions. People in these positions are liable to layoff during periods of reduced production at Lukens (which is a constant in the steel industry), since they have not acquired skills to bid for other jobs at the plant. The STIP enrollees in the Lukens general trades training go through a much longer, all-classroom training period and learn the ins and outs of all four positions. Thus, they will be far less vulnerable to layoffs because of their comprehensive training. They can "cross-bid" for other positions not affected by reduced production. When they complete the classroom STIP training, they will be hired and will undergo Lukens-paid OJT, to relate the classroom training to the actual work.

Everyone is cautiously optimistic about Chester County's STIP project. As Bruce Greiner notes, "STIP is symbolic of county government's initiative in helping alleviate the unemployment problem in Chester County. It is a major effort of county government to work closely with industry in other ways besides providing subsidized training. Helping county employers with client assessment and testing and with affirmative action and EEO plans hardly scratches the surface of the means by which Chester County Manpower can serve local industry." It has increased interest in job development from the private sector and has brought about the expanded involvement of local industries such as Norcross and Lukens. But the final test of its success rests with the trainees themselves who are just as optimistic about STIP:

"It's hard training, but I'm getting better at it. I'm learning a lot and my confidence has really increased since I started."

"The instructors are excellent and they treat us the same as everybody else. It's hard work but they're fair to me and I like what I'm learning."

"I'm finding that it takes patience to develop the kind of skills I'll need for the type of job and salary I now know I can get.

"Even if a job opening doesn't come up I feel I'll learn enough to carry my new skills with me and demonstrate them to someone else to get a job elsewhere."

The Chester County STIP project has established a new partnership between government and business there that promises to diminish that county's unemployment, and, over time, also stimulate the area's economic development.

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Los Angeles, California ...

Using STIP To Fine-Tune a Big-City Program

Almost all of the elements of a STIP program were in place in Los Angeles City CETA before STIP arrived. Private sector and union cooperation in pointing out jobs needing manpower and in training workers on the job; sophisticated training programs involving some classroom work; a far-flung network of training facilities; aggressive placement of training completors; plus some extras—innovative programs for former narcotic abusers, offenders, and ex-offenders and well-targeted affirmative action training programs for minority group persons. One other important ingredient was high unemployment: 7.7 percent throughout the city with the figure reaching 12 percent in some areas of the metropolis.

New relationship

What STIP has done for Los Angeles is to fine-tune its manpower machine in several significant ways. Because of STIP, a major employer organization in Southern California has been brought into the CETA fold for the first time. This newly established relationship between CETA and the Merchants and Manufacturers Association of Southern California is expected to influence all manpower efforts over the long haul. Most of the L.A. Community College STIP programs are being funded directly by the city for CETA vocational training for the first time.

The City of Los Angeles is the CETA prime sponsor for the $4.4 million STIP program there which is administered through the Training and Job Development Division of the Community Development Department. The number of enrollees slated for STIP is 620 in 12 training programs: advanced accounting; office management and supervision (upgrade); advanced medical and legal secretarial; mechanical drafting; computer maintenance; electronics engineering technician; machinist; word processing; protective signal technician; machinist/machine operator; licensed vocational nurse; and pipe welding.

Employer involvement in developing the training programs and in monitoring them comes through several standing entities. The city is divided into six major Labor Market Planning Areas; each LMP is represented on the L.A. City Training and Job Development Advisory Board. Comprised of business, union, and training institution representatives, the Board meets every month to discuss the city's labor market and unemployment situation. In addition, Specific Occupational Advisory Groups (SOAGs) already exist, with membership drawn from industry employers, unions, and training facilities. These various entities already keep tabs on labor demand and supply for each occupational area. With little effort, the CETA staff were able to engage their help in reviewing labor market needs with respect to STIP.

To refine this information even more, CETA staff approached representatives of the Merchants and Manufacturers Association of Southern California. At first, the CETA staff encountered resistance from the Association, whose representatives felt that there was no way to include their members in STIP. CETA staffers Ren Blight, Sue Cleere, and Lillian Millard (Training and Job Development director) worked hard at turning the Association around. They held a series of meetings on STIP with Association members, who would be able to pinpoint more accurately real high-skill demand. The labor market assessment procedures of the State Employment Development Department (EDD) already had provided an overall picture of demand, but STIP staff wanted a closer view. For example, EDD data did not show any rapid growth for mechanical drafting or machinist job catagories in the L.A. area. But Association representatives reported heavy growth in these occupations; the machinist pool in the area is dwindling; the average age of machinists is 50 years. Clearly, younger machinists are needed. Training programs for both jobs were included in STIP.

The STIP Employer Advisory Board, a wholly new entity, was created to centralize employer participation in the program. This group draws its members from the pool of business and industry representatives involved in either the Specific Occupational Advisory Groups or the Training and Job Development Advisory Board.

"Prepare for Tomorrow's Jobs Today!" is how staff at West Los Angeles College conducting STIP training advertised their word processing program. The phrase echoes the view of employers needing skilled workers in word processing, repeated constantly in the many letters of support for the STIP program that staff received. The need for trained workers in advanced technology in most of the occupations was a recurring observation of the employers involved in selecting jobs for STIP.

Technological training

STIP is pulling in CETA-eligible candidates that fit this need. Joe Sulmeyer is 58 years old. Displaced as a computer programmer in aerospace, he needed work. An announcement about the STIP-funded machinist program at L.A. Valley College sparked his interest. He's always liked working with his hands and he knew of recently developed machinery that requires a machinist-programmer to operate. His target is to be able to fill one of the jobs in the growing market for machinists who are also knowledgeable about advanced methods of operation, such as programming.

In L.A. STIP, the training institutions play a crucial role. STIP administrative money is funded directly to the institutions; each in turn functions as a sub-STIP program. Much of the day-to-day employer involvement in monitoring each training program occurs through the STIP administrator and STIP instructors at each training site. The direct funding for conducting training programs through CETA is a first-time event for all the community colleges involved in STIP. Community college staff developed their own labor market data by contacting employers directly to ferret out high-skill demand. The instructors for STIP have a high expectation of placing all the STIP students because of their employer connections. And in all programs, the STIP instructors personally interview all STIP candidates who have passed through the standard CETA intake and assessment process to further ensure the participants' chances for success.

College credit for STIP

At L.A. Trade Technical College, the STIP program is funded for $702,000 and 100 enrollees in four programs—advanced accounting, mechanical drafting, electronic engineering technician, and computer maintenance technician. The full range of adjunct services available through the college is available to all STIP enrollees—college credit for STIP transferrable to degrees, counseling, job placement, job search techniques, resume development, as well as all CETA's ancillary support services. Each training program is for 46 weeks, 30 hours a week. For the STIP enrollees in computer maintenance and electronic engineering technician courses, placement is guaranteed by Southern California/Edison and the City Water and Power Company.

Both parties to the new partnership between CETA and L.A. Community Colleges brought about by STIP benefit from the arrangement; the schools by becoming directly involved in training for CETA, and CETA by being able to enlarge its services to clients. According to Dr. Emma Steiner, STIP project director at L.A. Trade Technical, the college offers many additional advantages to STIP enrollees. The availability of the college's complete audiovisual component is one; another is the college's reading specialist, who works one-on-one with enrollees. Math tutoring is also available. "For us," she notes, "the separation of lecture from lab—70 percent of the courses are lab work—is innovative. And, of course, our involvement for the first time in CETA is innovative. We had a little trouble starting up for the program. We had to establish completely new reporting procedures, and we had to staff up with industry instructors, which are the keys to maintaining employer involvement in the program."

Dr. Steiner continues: "We at L.A. Trade Technical have been in the business of occupational education for 50 years. The STIP courses are all built on existing courses here. The difference is that they correspond more closely to what employers have said they needed in workers, so placement will be good, even with the new kinds of students we're getting through STIP. But all our courses aim for immediate placement."

Instructors' role

The role of the instructors in L.A. STIP is also crucial; most have direct ties to business and industry and were drawn into the program as "training employers." Their function is comparable to the institutional employer training participation found in several other STIP programs and demonstrates another way employers can be involved in STIP. In other programs around the country, trainees are brought to the employer sites; in L.A. STIP the employers are brought to the training sites. Some instructors representing business also represent union participation in the program.

A case in point is William Lavoie, who is the machinist instructor for STIP in L.A. Valley College, and coordinator for District and City Machinist programs. Before STIP he was a prototype machinist at Hughes Aircraft. Lavoie is himself a CETA "success" story. His machinist position at Hughes was the result of an apprenticeship program he got into via a CETA program at Torrence. Lavoie sees several advantages to STIP: "No one is doing any training for machinists except STIP, and no one in Southern California is training workers who would expand union rolls. STIP is not adequate for preparing workers for the journeyman level, but STIP graduates can get in on the operator level. They can then move up. Just look at the opportunities—there are 3 or 4 pages of ads for machinists in the papers."

High employer support

Lavoie reports that industry is highly supportive of STIP. Voi-Shan Chatsworth has donated aprons, safety glasses, and metal to the program. "I'm trying to get donations of metal from other sources, as well," notes Lavoie.

Employer support for STIP is not only high in the L.A. Valley College program. At the San Pedro/ Wilmington Skill Center, the four employers involved in the pipe welding program—Noble Construction; Hand Skill; Cavanaugh Machine Works; and Diversified Maintenance—are committed to hiring all 20 STIP enrollees when they have completed the 52-week course. All material for the program is donated, and not just by the committed employers; Bethlehem Steel donated $15,000 worth of pipe and steel for STIP.

According to Dr. Richard Belman, San Pedro/ Wilmington principal, employer involvement in the program, and quality training, are the primary features of STIP. "We will certify the welders personally as they complete the program. We also certify for all the areas besides pipe welding. We can even give Navy tests here—everything—because we have our own labs. Another thing about STIP is that pipe welding will be emphasized more in title I programming because of STIP."

STIP in Los Angeles is a big program, to match a big city. The STIP developers with the Training and Job Development Division work hard to keep on top of all the elements of the program. They monitor it carefully, conferring with the Employer Advisory Board and other committees involved in designing the program. Day-to-day monitoring by TJD staff occurs at the training institutions. STIP directors at each facility, in turn, keep in touch with the employers they contacted during the program development stage, to make sure that STIP will result in an even more finely tuned manpower machine for the City of Los Angeles.

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